THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT): (a) Gas supplies to industrial units in Andhra Pradesh are expected to commence by the end of this calender year.

(b) Initially, infrastructural facilities are being created to supply 0.15 million cubic meters of gas per day; this can be stepped up to 1.0 million cubic meters per day by the end of the 7th Plan.

Issue of industrial licences in violation of mandatory provisions

*28. SHRI R. SAMBASIVA RAO: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to the press reports regarding the issue of industrial licences by the various State Industrial Development Corporations in violation of the mandatory provisions of the law, by waiving off the perofframence guarantee deposits and other requirements;

(b) whether Government have also seen the press reports that in some cases undue favours were shown in the matter of allotment of licences by these corporations;

(c) if so, whether Government have the power to revoke the allotment of such licences and to issue them directly, by-passing the State Corporations; and

(d) if not, what are the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) Under the provisions of the Industries (Development and Regulation) Act, the Industrial Licences can be granted only by the Central Government in respect of the industries enumerated in the First schedule of Act. Letters of intent granted by the Central Govt. to State Industrial Development Corporation (SIDCs) carry a condition that in case the SIDC wants to implement the project in the joint sector, it shall ensure fulfilment of certain guidelines regarding association of MRTP|FERA companies as co-promoters, the share-holding pattern and disinvestment of equity by the SIDC. In case of any deviation from these guidelines, approval of Central Government is required. Letters of intent are converted into Industrial Licences only after fulfilment of the conditions specified in the letters of intent. The SIDCs are however, free to have their own procedures for the selection of co-promoters.

(b) Government have seen some press reports in this regard.

(c) and (d) An Industrial Licence can be revoked by the Central Government if it is satisfied that the licensee has failed without reasonable cause to establish the undertaking steps to establish the undertaking within the time specified therefor.

Identification of no industry area

*29. SHRI SHARAD YADAV:
SHRI VIRENDRA VERMA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that an expert committee set up by the Government to review the existing incentive schemes for industrialisation of backward areas in the country had recommended that 'taluka' in place of 'district' be considered as the unit for identification of no industry areas for accelerated industrial development in the backward areas;

(b) if so, what are the salient features of the other recommendations made by the expert committee; and

(c) what decision has been taken by Government on these recommendations?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (c) The report of the Inter-Ministerial Committee set up to review and revise the Incentive Scheme for industrialisation of backward areas is still under consideration of the Government.